INFORMATION LETTER

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Resolution Proposes Inquiry Into Grade Labeling Advocacy

A resolution directing the House Committee on Interstate and Foreign Commerce to investigate whether any agency or officer of the federal government has formulated or is formulating plans to put into effect "requirements with respect to federal grade labeling" and the "discarding of private brand names" in connection with the defense effort was favorably reported March 1 by the House Rules Committee. The resolution, H. Res. 116, was introduced by Representative Beckworth (Tex.), second ranking member of the Interstate and Foreign Commerce Committee.

In addition, the resolution would authorize investigation of "any other requirements intended to bring about simplification and standardization of production, marketing, and distribution of articles or commodities, as well as concentration of industry or production."

The Committee also would be directed to investigate the possible curtailment of production of newsprint and book paper.

The resolution has been placed on the House calendar to await floor action.

Renegotiation Bill Passed; Now in Conference Committee

The renegotiation bill, H. R. 1724, was passed by the Senate on February 21 and sent to conference.

The INFORMATION LETTER of January 20, page 16, contained a brief summary of the provisions of H. R. 1724, the proposed "Renegotiation Act of 1951," as it emerged from the House Ways and Means Committee. The committee version passed the House on January 23, in substantially similar form with no major changes of interest to canners.

The Senate Committee on Finance, to which the bill was referred, reported out H. R. 1724 with a number of major changes. The minimum amount subject to renegotiation in any fiscal year of a contractor or subcontractor was increased from the

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OPS Issues Amendments To General Ceiling Price Regulation

On February 14 and February 23, respectively, the Office of Price Stabilization issued its first two amendments to the General Ceiling Price Regulation. Amendment No. 5, issued February 28, amends these orders in some respects.

The first of these amendments makes changes in Section 11 of the Regulation, which deals with adjustments in ceiling prices of products processed from agricultural commodities selling below parity, and in Section 14(s), which provides certain exemptions for food, agricultural and related commodities. The second is intended to clarify the intent of and to close certain gaps in the General Ceiling Price Regulation. It does this by amending Section 3 of the Regulation, which establishes price ceilings based on deliveries in the period from December 19, 1950, through January 25, 1951, to prevent the establishment of ceilings on the basis of "token sales" during the period and by clarifying certain situations where deliveries were not made in the base period to all classes of purchasers or where deliveries were not made of all commodities on a canner's revised price list. Copies of Amendment No. 2 and Amendment No. 5 are being mailed with this issue of the INFORMATION LETTER.

Amendment No. 1

Section 11(a) of the General Ceiling Price Regulation, as issued on January 26, 1951, permitted a canner to increase his ceiling prices on processed foods by the dollar and cents increase in the cost of his raw material as determined by a comparison of his most recent customary purchase of fruits or vegetables with a cost of such purchases during the base period, provided the Secretary of Agriculture

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Changes in Area of Production Definition Being Considered

A public hearing will be held in Washington beginning April 2 to consider possible revisions or amendments of the regulations of the U. S. Department of Labor's Wage and Hour Public Contracts Divisions defining "area of production."

The current definitions of area of production are based on mileage and population tests and have been in effect since December, 1946. The Labor Department estimates that more than 1,000,000 employees are engaged in operations affected by these definitions.

In recent months, the Labor Department reports, a number of interested individuals and groups have represented to the Administrator that substantial economic discrimination exists

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Canned Mushroom Standards

Notice is given in the *Federal Register* of February 24 that the Federal Security Administrator proposes to amend the standard of identity and to establish a standard of fill of container for canned mushrooms. The usual 30-day period is allowed for filing of exceptions to the proposal. The text of the announcement, including the findings of fact, is reproduced beginning on page 133.

Area 'Legal Minimums'

The Production and Marketing Administration, USDA, on February 27 announced the location adjustments, by producing areas, of the January 15, 1951, "legal minimum" prices for vegetables for processing. The PMA announcement was reproduced by N.C.A. as an INFORMATION LETTER Supplement and mailed to member firms.

Canners should note, however, that the area "legal minimum" prices should be revised whenever BAE issues revised national legal minimum

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CONGRESS

Chemicals in Food Products

Membership of the select House Committee to Investigate the Use of Chemicals in Food Products was appointed by the Speaker on February 12. All members who served on the Committee during the 81st Congress were reappointed. They are:

Representatives Delaney (N. Y.), chairman, and Abernethy (Miss.), Hedrick (W. Va.), Jones (Mo.), Miller (Nebr.), and McDonough (Calif.). Also, Representative Horan (Wash.) was named in the place formerly held by Representative Keefe (Wis.), who did not seek reelection to the 82nd Congress.

Senate Bill Would Implement U.S.-Mexican Labor Agreement

A bill designed to carry out the agreement reached between the United States and Mexico in the discussions held in Mexico City, January 26-February 3, for the importation of Mexican agricultural workers was introduced in the Senate on February 27 by Chairman Allen J. Ellender (La.) of the Committee on Agriculture. The measure is drafted to permit the application of its terms whenever a government-to-government agreement is in effect between the United States and any foreign country within the Western hemisphere or from Hawaii or Puerto Rico.

The bill, S. 984, would authorize the Secretary of Labor (1) to recruit Mexican workers, including those now in the United States, (2) to operate reception centers in the United States near ports of entry, (3) to transport workers to and from recruitment points outside the United States to reception centers, (4) to provide workers with subsistence, emergency medical care and burial expenses necessary during transportation provided by the Secretary of Labor, (5) to assist workers and employers in negotiating contracts, (6) guarantee the performance by employers of contract provisions relating to the payment of wages or the furnishing of transportation.

The bill limits its application to employers who enter into agreements with the United States (1) to indemnify the federal government against loss resulting from the guarantee of the employer's contracts, (2) reimburse the United States at a rate not to exceed $20 per worker for expenses incurred in transporting workers to and from reception centers in the United States, and (3) to pay to the United States the sum determined by the Secretary of Labor to be the employer's proportionate cost of returning workers who do not return to reception centers under the terms of the worker's contract.

An exemption from social security taxes and benefits and from the head tax required under the immigration laws is contained in the proposal. Likewise, no penalty bond would be required which imposes liability upon any person for the failure of a worker to depart from the United States upon termination of employment.

In defining agricultural employment, S. 984 includes work in canning and freezing and other processing of perishable or seasonal agricultural products, cotton ginning and compressing and the crushing of oil seeds as well as agricultural activities defined in Section 3(f) of the Fair Labor Standards Act.

The bill has been referred to the Senate Committee on Agriculture and it is expected that the Committee will announce hearings on the bill in the near future.

House Committee Urges Full Defense Status for Agriculture

The House Committee on Agriculture urges in a report issued March 1 that "those in charge of the defense program recognize and act upon the elementary fact that agriculture is an essential defense industry and should be given that status in any allocation of critical materials."

The Committee's action came in releasing the text of a report embodying conclusions and recommendations of a special subcommittee headed by Representative Abernethy (Miss.) which has just concluded hearings on the shortage of sulfur and its effect on food production. The fertilizer industry is the largest single user of sulfur and sulfuric acid. The full Committee unanimously adopted the subcommittee report and instructed the Chairman, Representative Cooley (N.C.), to urge defense agencies to act upon its recommendations.

Among the conclusions of the report, it was pointed out that:

"The head of the operating division of the National Production Authority responsible for sulfur distribution testified that he has no policy directive to guide him in determining, as between agricultural and other claimants, how or with what priority scarce materials are to be distributed. Nor does he have within his division any consultant qualified or even purporting to represent the requirements of agriculture.

"The present system of establishing priorities for scarce materials by 'DO' ratings and orders completely disregards the requirements of agriculture and may very quickly create a situation where the availability of materials for agricultural purposes will be reduced to zero.

"No agency representing agriculture is authorized to issue these 'DO' ratings whereas numerous other procurement agencies are authorized to do so—even for such items as office equipment and furniture—and apparently no one has any idea how many 'DO' ratings are being issued, what quantity of material is being covered by such orders, or what use is being made of this material after it has been requisitioned in this manner.

"As a further indication of the manner in which the requirements of agriculture are being disregarded, the Department of Agriculture has not been consulted in the drafting of an allocation order for sulfur and other chemicals which it was stated will soon be issued. Although a draft of such a control order is known to exist and is said to be even now 'making the rounds' of the defense production agencies, the deputy administrator of the Production and Marketing Administration, USDA, testified that neither he nor anyone else in the Department of Agriculture had been able to see a copy of the proposed order although both written and oral representations of the Department's interest in this matter had been made to NPA and other agencies."

Area 'Legal Minimums'

(Concluded from page 129)

prices. On February 28, BAE issued the national legal minimum prices as of February 15. The dollar and cent increase over the January 15 prices should be applied to the area price for each commodity, as follows:

Vegetables for Processing	Legal minimum Jan. 15, 1951	Legal minimum Feb. 15, 1951	Increase
	(dollars per ton)		*(dollars)*
Asparagus	205.00	205.00	...
Beans, lima	152.00	155.00	3.00
Beans, snap	122.00	124.00	2.00
Beets	23.80	24.20	.40
Cabbage	16.80	17.10	.30
Corn	22.70	23.00	.30
Cucumbers	1.63	1.63	...
Peas	99.00	100.00	1.00
Pimientos	71.50	72.30	.80
Spinach	58.50	59.30	.80
Tomatoes	31.30	31.70	.40

SUPPLIES

Appeals under M-25

Printed forms are available from the National Production Authority for use in requesting adjustment or exemptions under the can order, M-25. Canners requesting these forms should ask for "Form NPAF-38." In applying to NPA for relief under M-25, three copies of the form must be submitted. A separate application must be filed for each product. Canners may write directly to the NPA for these forms.

Can Order, M-25, Amended

Can Order M-25 was amended by the National Production Authority on February 23 to permit the packing of some products which had been omitted from the original order.

These products include frozen and processed orangeade base concentrate; frozen pineapple juice concentrate; hams; beef gravy and other gravies; spaghetti with meat balls and sauce; and certain nonfood products.

The amendment adds Schedule II to the original order. Schedule II is reproduced as follows:

Schedule II

Can Materials

Product (1)	Soldered or welded parts (2)	Non-soldered parts (3)
FRUIT AND FRUIT PRODUCTS		
1. **Orangeade base concentrate:		
Frozen	0.25	0.25
Processed	1.50	1.50
2. **Pie and pastry filler (fruit filling only)	1.25	.50
3. *Pineapple juice concentrate, frozen	.25	.25
MEAT		
4. **Hams, whole, halves, quarters, or sections and pork loin, boneless and smoked:		
Round cans, side seam only soldered	1.25	.25
Oblong cans, 3 lb. and larger	1.25	.25
All seams soldered	1.25	1.25
5. **Beef and other gravies	.25	.25
MISCELLANEOUS FOODS		
6. **Spaghetti with meat balls	1.25	.25
7. **Spaghetti sauce	1.25	.25
8. **Any other food product:		
Heat processed in hermetically sealed cans	.25	.25
Nonprocessed	.25	CMQ

1950 Shipments of Metal Cans

Shipments of metal cans for food and nonfood products during 1950 are reported by the Bureau of the Census, U. S. Department of Commerce, with comparisons, as follows:

Shipments of Metal Cans, by Type of Product Packed, 1949 and 1950

	1949	1950
	(in short tons of steel)	
Fruit and vegetable (including juice)	1,104,743	1,303,988
Evaporated milk	238,410	252,455
Condensed milk	9,613	6,055
Other dairy products	34,977	34,588
Fish and seafood	113,077	149,322
Lard and shortening	86,200	102,095
Meat (including poultry)	109,370	123,001
Coffee and all other food cans	565,074	577,738
Total, food cans	2,261,470	2,549,242
Oil, open top, 1 and 5-qt.	193,860	254,165
Beer	359,694	490,996
Pet foods	88,202	116,200
All other nonfood cans	373,683	479,507
Total, nonfood cans	1,015,448	1,340,868
Total, all cans	3,276,918	3,890,110

Commercial Closures

Over 6,000,000 base boxes of tin mill products were consumed in the manufacture of commercial closures (caps and crowns) in 1950, as compared with 4,750,000 base boxes used in 1949, according to a report by the Bureau of the Census, U. S. Department of Commerce.

Production of metal cap closures in 1950, with comparisons, was reported as follows:

	1949	1950
	(in thousands)	
Screw thread and lug types	5,697,676	8,181,762
Vacuum, friction, and other types	2,411,807	3,553,009

Shipments of metal caps in 1950, with comparisons, were reported as follows:

	1949	1950
	(in thousands)	
Screw thread and lug types	5,650,066	7,977,749
Vacuum, friction, and other types	2,403,308	3,703,533

MRO Order

A priority rating, DO-97, enabling canners to obtain necessary materials and supplies for maintenance, repair and operation, was made available to all businessmen February 27 by the National Production Authority. The "MRO Order" was reproduced by N.C.A. as an INFORMATION LETTER Supplement and sent to member firms.

TECHNOLOGY

Tenderometer Standardizing Method is Changed

During the past two years the manufacturer of the Tenderometer has been authorized to supply users of the machine with samples of peas preserved in alcohol as an optional means of standardizing scale readings, and this method was used extensively in 1950. Under such general trial, the method disclosed certain limitations leading to a reconsideration of its use.

For this reason, the manufacturer and the licensor of the basic Tenderometer patent, Canning Industry Research, Inc., have agreed to suspend use of peas-in-alcohol during 1951. A program of further investigation of standardization methods has been authorized. In the meantime, the original "balancing" method of standardization will be in effect. Reflecting this change, a new service manual for the Tenderometer will be prepared and distributed prior to the 1951 canning season.

Renegotiation Bill Passed

(Concluded from page 129)

$100,000 minimum or "floor" provided for in the House bill to $500,000. Under the House bill, renegotiation would apply to amounts received or accrued after January 1, 1951, where the performance to which receipts or accruals relate occurred prior to July 1, 1950. The Senate bill limits the applicability of renegotiation to receipts and accruals attributable to performance after June 30, 1950.

The Senate bill also permits losses incurred on renegotiable business in one fiscal year to be carried over as allowable costs in the renegotiation of the contractor's next fiscal year, whereas the House bill permitted no carryovers.

The Senate bill also broadened the exemption for contracts for agricultural commodities and for the products of mines, oil and gas wells, and mineral and natural deposits to conform to the exemptions contained in the World War II renegotiation law. The effect of this broadening will be principally felt by mine and oil well operators, and the change is of little significance to the canning industry.

The Senate Committee version of H. R. 1724 passed the Senate with minor changes. A summary of the provisions of the new renegotiation law will be published in the INFORMATION LETTER when finally enacted.

PUBLICITY

N.C.A. Laboratories Cited

Contributions of the N.C.A. Research Laboratories in establishing scientific processing standards for the canning industry are cited by Taylor Instrument Companies in the winter issue of its house organ, *Taylor Technology*.

"The new National Canners Association Research Laboratory in Washington, D. C., with the most modern facilities, equipment and know-how, provides the canning industry with the latest techniques of fruit and vegetable growing and processing," the article states.

"The representative character of the Association and its long-time standing record of fair dealing and unbiased research projects have won for it recognition as a competent spokesman for the industry and respect for its integrity of purpose and conduct. The purpose of the newly dedicated Research Laboratories of the Association is to develop those fields of practical research and service which individual members cannot advantageously or economically undertake."

Woman's Day

One of the monthly features in *Woman's Day*, the magazine sold in the A&P Food Stores, is the "Found Money" page, highlighting inexpensive recipes. The cost of each recipe is given, based on prices in supermarkets throughout the United States.

The February issue's "Found Money" article is entitled "Start With Canned Beans For These Hearty and Inexpensive Dishes." Recipes using canned red beans, kidney beans, dried lima beans, baked beans and black-eyed peas are given. None of the recipes costs over fifty cents for four to six servings.

Woman's Home Companion

The February *Woman's Home Companion* magazine carries three articles on canned foods. Each article is based on one recipe in which a canned food is the featured ingredient, and is accompanied by numerous photographs showing "how it is done."

The popular *Companion* Kitchen Pin-Up recipe is "Hearty Corn Chowder" made of canned cream style corn. The author, Miss Doris Tisdale, says, "Delicious and filling, this old-fashioned chowder is a meal in itself for wintry days—and so easy to make."

"Can You Bake A Cherry Pie?" is the title of another *Companion* article. The step-by-step pictures accompanying the canned red sour cherry pie recipe make it easy to follow directions.

Another monthly feature in the *Companion* is the "Here's How" recipe. In the February issue it shows how canned junior meats may be used to make quick dishes for two people. The junior meats are used to stuff tomatoes, to make quick spaghetti sauce, and for quick creamed lamb on toast.

MEETINGS

Food Plant Sanitation Course

The training course in food plant sanitation given annually by the N.C.A. Western Branch Laboratory will be held this year at Walla Walla, Wash., March 19-23. These dates differ from those originally announced.

This course will be similar to those given last year in San Francisco and Salem, Ore. The program is designed to give instruction in sanitation to persons at about the superintendent level and particularly to persons who will be in charge of sanitation programs.

Applications for enrollment may be obtained from the N.C.A. Western Branch Laboratory, 461 Market St., San Francisco 5, Calif.

Armed Forces Packaging Needs

Packaging requirements of the armed forces will be explained to industry by representatives of the Army, Navy and Air Force at the American Management Association's three-day national Packaging Conference, April 17-19, at the Auditorium in Atlantic City. The conference will be held in conjunction with the 20th annual National Packaging Exposition, also under AMA auspices, April 17-20.

Materials, machinery, services and supplies used in packaging, packing and shipping will be exhibited by 242 companies.

Forthcoming Meetings

March 5-6—Virginia Canners Association, Annual Convention, Roanoke

March 7-8—Utah Canners Association, 39th Annual Convention, Hotel Utah, Salt Lake City

March 8-9—Northwest Branch of National Canners Association, 14th Annual Canned Salmon Cutting and Salmon Research Conference, Olympic Hotel, Seattle, Wash.

March 13-14—Northwest Canners Association, Annual Meeting, Davenport Hotel, Spokane, Wash.

March 18—Tennessee-Kentucky Canners Association, 30th Annual Convention, Maxwell House Hotel, Nashville

March 19-20—Canners League of California, Annual Meeting, Hotel Biltmore, Santa Barbara

March 19-23—National Canners Association, Western Branch Laboratory, Training Course in Food Plant Sanitation, City Hall, Walla Walla, Wash.

April 17-20—American Management Association, 20th National Packaging Exposition, Atlantic City, N. J.

April 19—Indiana Canners Association, Spring Meeting, Claypool Hotel, Indianapolis

April 23-25—United States Wholesale Grocers' Association, Convention and Food Distribution Exposition, Miami Beach, Fla.

June 3-4—Michigan Canners Association, Spring Meeting, Park Place Hotel, Traverse City

Michigan Canners Association

The spring meeting of the Michigan Canners Association will be held June 3 and 4 at the Park Place Hotel in Traverse City, it is announced by R. M. Roberts, secretary.

PROCUREMENT

Tentative QMC Requirements For Operational Rations

Tentative estimates of QMC requirements for operational type rations for delivery between May 1 and October 31 of this year have been announced by the Department of Defense. They are:

38,000,000 Individual Combat C rations; 12,000,000 Small Detachment, 5-in-1, rations; and 10,000,000 Individual Food Packets, Assault, IA.

The announced estimates are based on the best information available at this time, are subject to modification, and do not include items currently being purchased.

Bidders who wish to obtain information concerning specification data and quantitative requirements for components, packing, and packaging should communicate with the Chicago Quartermaster Depot.

STANDARDS

Text of FDA Proposal on Standards for Canned Mushrooms

FEDERAL SECURITY AGENCY

FOOD AND DRUG ADMINISTRATION

[21 CFR, Part 52]

CANNED VEGETABLES OTHER THAN THOSE SPECIFICALLY REGULATED; DEFINITIONS AND STANDARDS OF IDENTITY

Notice of Proposed Rule Making

In the matter of amending the definition and standard of identity for canned mushrooms and adopting a standard of fill of container for canned mushrooms:

It is proposed that, by virtue of the authority vested in the Federal Security Administrator by the provisions of the Federal Food, Drug, and Cosmetic Act (secs. 401, 701, 52 Stat. 1046, 1055; 21 U. S. C. 341, 371) and upon the basis of substantial evidence received at the public hearings held pursuant to the notices published in the FEDERAL REGISTER on July 5, 1949 (14 F. R. 3922) and March 10, 1950 (15 F. R. 1310), and upon consideration of proposed findings of fact filed by interested parties, which are adopted in part and rejected in part as is apparent from the detailed findings made below, the following order be made:

Findings of fact.[1] 1. In 1937 there was established a standard of fill of container for canned mushrooms under authority conferred on the Secretary of Agriculture by the McNary-Mapes Amendment to the Federal Food and Drugs Act of 1906 (46 Stat. 1019; 21 U. S. C. 9, 10).[2] This standard was in force until the act of 1906 was superseded by the Federal Food, Drug, and Cosmetic Act of 1938. In 1939, a definition and standard of identity for canned mushrooms (21 CFR Part 52) was established. This standard provides that canned mushrooms are the caps and stems of mushrooms in the optional forms of buttons, whole, slices, or pieces and stems of mushrooms with water, sealed in a container and so processed by heat as to prevent spoilage. Optional ingredients permitted were salt, citric acid, a vinegar, spice, sugar, and corn sugar. The only optional ingredients known to have been used in canned mushrooms are salt for seasoning, and citric acid for obtaining a lighter color of the canned mushrooms. During World War II, when tin containers were in short supply, some mushroom canners packed mushrooms in glass containers. This experience revealed that mushrooms packed in glass appeared to become darker during storage. Ready sales, however, obviated prolonged storage during this period. Mushrooms packed in tin containers do not darken during storage but on the contrary, for a limited period, become lighter in color than when first packed. As the supply of tin increased, packers of mushrooms in glass returned to the use of tin containers. A canner of mushrooms interested in packing mushrooms in glass containers in 1948 and 1949 made experimental packs containing ascorbic acid and citric acid for retarding the color changes during storage. This canner applied for a hearing on a proposal to amend the standard of identity for canned mushrooms to include ascorbic acid as an optional ingredient. A hearing was held on this proposal (14 F. R. 3922) but before a tentative order was published application was made by Cultivated Mushroom Institute of America to hold a second hearing to take additional evidence on the proposal to include ascorbic acid as an optional ingredient and to take evidence on a proposal to restrict the optional ingredients to water and salt. In granting this application (15 F. R. 1310), the Administrator on his own initiative also proposed to take evidence on a proposal to establish a standard of fill of container for canned mushrooms. A second hearing was held pursuant to this application. These findings are based on the evidence presented at both hearings. (R. 10, 18, 19, 21, 23, 28, 46-47, 54-56, 152-153, 158-159, 200-201, 237-239, 247, 248, 400, 507, 509, 513, 522, 566, 725, 735, 838-840, 841; Ex. 2, 6, 18)

2. Experimental packs of canned mushrooms prepared on a semicommercial scale show that such mushrooms packed in glass or tin containers with small quantities of citric acid and ascorbic acid are lighter in color than the same quality of mushrooms with only salt and water. This is true at any time after packing. When used together, citric acid and ascorbic acid have a greater lightening effect on color of canned mushrooms than either acid used alone. The effect on the color is increased as the quantity of acids added is increased, and this effect is more pronounced in tin containers than in glass. (R. 43-57, 290, 325-326, 330, 349, 734-735, 758; Ex. 8, 10, 11, 16)

3. To obtain high-quality canned mushrooms, the raw mushrooms used should be picked at optimum maturity for canning and canned promptly after picking. Sometimes, because of the receipt of a large supply of raw mushrooms by the cannery, or for other reasons, it may be necessary to hold the raw stock for a day or several days before canning. Such a holding period results in this raw stock becoming stale. All mushrooms undergo changes in color during the canning process. Stale mushrooms after canning are darker in color than they would be if canned when freshly picked. The addition of small amounts of citric acid in the canning process lessens the darkening that results from canning. Such addition of small amounts of citric acid to stale mushrooms makes it possible to obtain a canned product of about the same color as when fresh mushrooms are canned without an added acid. The mechanism of the chemical action of dilute citric acid which results in a lighter color of the canned mushrooms is not definitely shown by the record, but it appears that its effect in lightening the color of mushrooms is caused by an intensified reaction between the contents of the container and tin. Citric acid is the only acid known to be commercially used for this purpose. There was evidence that other acid-reacting substances have been used but their identity was unknown to the canners who testified at the hearings. There also was evidence that the addition of any substance which lowers the pH will lighten the color of canned mushrooms. (R. 141-142, 193-194, 195, 224-225, 227, 230, 252-253, 330, 350, 522, 527-528, 530, 556-558, 568, 646, 648-649, 651, 653, 670-671, 692-693, 784; Ex. 8)

4. In determining the grade for canned mushrooms according to the standards promulgated by the Production and Marketing Administration of the United States Department of Agriculture, more importance is attached to the factor of color than to any of the other factors considered, such as uniformity of size and symmetry, absence of defects, and tenderness. The use of citric acid enables a canner to pack stale mushrooms which are graded higher on the factor of color than such stale mushrooms canned without the addition of citric acid. The use of citric acid in canned mushrooms has not promoted honesty and fair dealing in the interest of consumers. (R. 159-160, 224, 248, 356, 367-368, 559-560, 646-647, 651; Ex. 15)

5. The lightening of color of mushrooms, canned in tin containers with only water and salt, during storage appears to be due to a reaction of the packing medium with the tin of the container, although the mechanism causing the lightening is not known. When the acidity of the packing medium is increased by the use of any acid-reacting substance this reaction is intensified. The reaction which affects the color of the mushrooms does not reach an equilibrium for some time, and the mushrooms in tin containers continue to become lighter in color during the first

[1] The citations following each finding of fact refer to the pages of the transcript of the testimony and the exhibits received in evidence at the hearing.

[2] This standard will hereafter be referred to as the McNary-Mapes standard.

few months in which they are held in storage. (R. 355, 357-358, 693, 738)

6. The mechanism of the action of ascorbic acid on the color of canned mushrooms, when it is added in small amounts in the canning process, is not established. During processing there is an apparent reduction in the amount of ascorbic acid, which indicates a reaction of the ascorbic acid with oxygen inside the container. There is some increase in acidity when ascorbic acid is used, but its effect on the pH of canned mushrooms is less pronounced than that of like quantities of citric acid. (R. 74, 76, 82, 86, 350-354, 784, 805, 876; Ex. 8, 14, 16, 22)

7. The characteristic light tan color of canned mushrooms in tin containers prepared from mushrooms picked at optimum maturity and promptly canned furnishes purchasers a basis for judging the quality of canned mushrooms both in tin and glass containers. Since the color of mushrooms canned in glass containers is not as light as that on those in tin containers, the mushrooms in glass containers are at a disadvantage. By limiting the quantity of the ascorbic acid used so that its effect on the color of the mushrooms is to restrict darkening from oxidation, it is possible to obtain this desirable effect without likelihood of abuse. In the few experiments reported where the pH of the liquid drained from the canned mushrooms was determined, ascorbic acid alone in amounts not exceeding 150 milligrams per 4 ounces drained weight of mushrooms lowered the pH an average of approximately 0.25 when compared with the pH of similar mushrooms canned with water and salt only. It is unlikely that there will be abuse from the use of ascorbic acid alone, in amounts not greater than 150 milligrams per 4 ounces of drained mushrooms. (R. 21, 57, 78, 156-157, 190-191, 553-557, 581, 648, 727, 737, 799-800, 876; Ex. 8, 9, 14, 16, 22)

8. The pH of mushrooms canned with water and salt as reported in this record varies from 5.9 to 6.7. The addition of an acid lowers the pH of canned mushrooms, depending on the acid used and the amount added. If the liquid drained from canned mushrooms has a pH of less than 5.9 it indicates that some ingredient other than water and salt has been added. Citric and ascorbic acid can be detected in canned mushrooms by well-known methods of analysis, but other acid-reacting substances might be added in small amounts and escape detection by objective examination of the canned mushrooms. A requirement that the pH of canned mushrooms be not less than 6.0 was proposed. Such a requirement would be very helpful in enforcing the prohibition of unauthorized ingredients, but the data on the pH of canned mushrooms are insufficient for prescribing such a limit. (R. 57, 181-183, 291-292, 293, 294, 295, 296, 300, 333-334, 376, 530, 670-671, 755, 876, 877; Ex. 8, 9, 14, 16, 22)

9. The McNary-Mapes amendment to the Food and Drugs Act of 1906 authorized the adoption of standards of quality, condition, and fill of container for most canned foods. The standard of fill of container for canned mushrooms promulgated by the Secretary of Agriculture in 1937 provided for minimum drained weights for mushrooms packed in ten specified containers, and for minimum drained weights based on a ratio of 1 ounce of drained mushrooms for each 3 cubic inches inside capacity for containers other than those specified. That standard became inoperative when the Food and Drugs Act of 1906 was superseded by the Federal Food, Drug, and Cosmetic Act of 1938 and since that time there has been no standard of fill of container for canned mushrooms. (R. 839-842; Ex. 18)

10. It is the general practice of canners to blanch the fresh mushrooms in hot water or steam before packing into containers. This blanching results in some shrinkage of the fresh mushrooms that would otherwise occur during processing and might result in a slack fill. Even though the McNary-Mapes standard has not been in force for several years, canners of mushrooms have continued the practice of blanching and filling to meet the levels prescribed under that standard. Compliance with the standard for fill of container for canned mushrooms has generally resulted in the containers being well filled with mushrooms. (R. 150-152, 220, 506-507, 552-553, 561, 587-588, 645, 650-651, 678, 829-831, 840-846, 851; Ex. 18, 19)

11. Canned mushrooms are now packed in substantial quantities in containers of sizes for which specific drained weights were not specified in the McNary-Mapes standard. Some of the containers formerly extensively used are now of minor importance. In standards of fill of container, canners generally prefer specific requirements as to the drained weights for containers extensively used rather than general requirements fixing drained weights calculated from the capacity of the can. The containers now extensively used and the drained weights of mushrooms found necessary to fill them properly are as follows:

Trade designation	Over-all dimensions sealed can		Weight of drained mushrooms
	Diameter	Height	
	Inches	*Inches*	*Ounces (avoirdupois)*
202 x 204	2 1/16	2 1/16	2
211 x 212	2 11/16	2 1/16	4
300 x 400	3	4	8
307 x 510	3 7/16	5 1/16	16
603 x 700	6 3/16	7	68

(R. 552-553, 587-588, 650-651, 678, 839, 841-847, 851-852; Ex. 18-21)

12. Since containers of sizes other than those named in finding 11 may sometimes be used, it is necessary to provide also for drained weights based on capacity of containers for which no specific requirements are made. A suitable and practicable method for determining the capacity of containers is the general method for determining water capacity of containers in 21 CFR 10.1. The following requirements for drained weights based on the water capacity of the container will insure that such container are properly filled. For containers with a water capacity (at 68° F.) of less than 11 ounces avoirdupois, the drained weight of mushrooms is not less than 56 percent of the water capacity of the container. For containers with a water capacity of 11 ounces or more but less than 25 ounces, the weight of the drained mushrooms is not less than 59 percent of the water capacity of the container. For containers with a water capacity of 25 ounces or more, the weight of the drained mushrooms is not less than 62 percent of the water capacity of the container. (R. 841-842, 846-848, 851, 853-863; Ex. 6, 21)

13. A suitable and practicable method for determining the drained weight of canned mushrooms which is essentially the same as that prescribed in the McNary-Mapes standard is as follows: Tilt the opened container so as to distribute the contents evenly over the meshes of a circular sieve which has been previously weighed. The diameter of the sieve is 8 inches if the quantity of the contents of the container is less than 3 pounds, and 12 inches if such quantity is 3 pounds or more. The bottom of the sieve is woven-wire cloth which complies with the specifications for such cloth set forth under "2380 Micron (No. 8)" in table 1 of "Standard Specifications for Sieves," published March 1, 1940, in L. C. 584 of the U. S. Department of Commerce, National Bureau of Standards. Without shifting the material on the sieve, so incline the sieve as to facilitate drainage. Two minutes after drainage begins, weigh the sieve and drained mushrooms. The weight so found, less the weight of the sieve, shall be considered to be the weight of drained mushrooms. (R. 848-849, 863-864; Ex. 6, 18, 20, 21)

14. A label statement which adequately informs consumers when canned mushrooms fail to meet the prescribed standard of fill of container is the general statement of substandard fill specified in 21 CFR 10.2 (b). (R. 850-851; Ex. 6, 21)

Conclusions. Upon consideration of the whole record and the foregoing findings of fact, it is concluded that it will promote honesty and fair dealing in the interest of consumers:

1. To amend the definition and standard of identity for canned mushrooms presently contained in § 52.990 to delete citric acid, vinegar, spice,

sugar, and corn sugar as optional ingredients and make ascorbic acid in amounts not exceeding 37.5 milligrams per one ounce of drained weight of mushrooms an optional ingredient;

2. To adopt the standard of fill of container for canned mushrooms hereinafter set forth in proposed § 52.10.

It is therefore proposed that Part 52 be amended by renumbering § 52.990 as § 52.1, and by amending renumbered § 52.1 (c) to read as follows:

§ 52.1 *Canned vegetables; identity; label statement of optional ingredients.* . . .

(c) To the vegetable ingredient water is added; except that pimientos may be canned with or without added water, and sweet potatoes in mashed form are canned without added water, and asparagus may be canned with added water, asparagus juice, or a mixture or both. For the purposes of this section, asparagus juice is the clear, unfermented liquid expressed from the washed and heated sprouts or parts of sprouts of the asparagus plant; mixtures of asparagus juice and water are considered to be water when such mixtures are used as a packing medium for canned asparagus. In the case of artichokes, citric acid or a vinegar is added in such quantity as to reduce the pH of the finished canned vegetable to 4.5 or below. The following optional ingredients, in the case of the vegetables specified, may be added:

(1) Citric acid or a vinegar, in the cases of all vegetables (except artichokes, in which such ingredient is prescribed, and except canned mushrooms, in which no such ingredient is permitted), in a quantity not more than sufficient to permit effective processing by heat without discoloration or other impairment of the article.

(2) An edible vegetable oil, in the cases of artichokes and pimientos.

(3) (i) Starch, in the cases of white sweet corn (cream style or crushed form) and yellow sweet corn (cream style or crushed form), in a quantity not more than sufficient to insure smoothness.

(ii) In the case of potatoes, purified calcium chloride, calcium sulfate, calcium citrate, monocalcium phosphate, or any mixture of two or more such calcium salts, in a quantity reasonably necessary to firm the potatoes, but in no case in a quantity such that the calcium contained in any such calcium salt or mixture is more than 0.051 percent of the weight of the finished food.

(4) Snaps, in the cases of shelled beans, black-eye peas, and field peas.

(5) Salt may be added to any of the canned vegetables in this section in a quantity sufficient to season the food.

(6) In the cases of all vegetables (except canned mushrooms) one or more of the following optional seasoning ingredients may be added in a quantity sufficient to season the food:

(i) A vinegar.
(ii) Spice.
(iii) Refined sugar (sucrose).
(iv) Refined corn sugar (dextrose).

(7) In the case of canned mushrooms, ascorbic acid (vitamin C) may be added in a quantity not to exceed 37.5 milligrams for each ounce of drained weight of mushrooms.

The food is sealed in a container, and so processed by heat as to prevent spoilage.

b. It is further proposed that Part 52 be amended by adding the following new section:

§ 52.10 *Canned mushrooms; fill of container; label statement of substandard fill.* The standard of fill of container for canned mushrooms is a fill such that:

(a) The weight of drained mushrooms in a container the dimensions of which are specified in the following table is not less than the weight of drained mushrooms prescribed in such table for such container:

Trade designation	Over-all dimensions sealed can		Weight of drained mushrooms
	Diameter	Height	
	Inches	*Inches*	*Ounces (avoirdupois)*
202 x 204....	2 1/4	2 1/4	2
211 x 212....	2 11/16	2 1/4	4
300 x 400....	3	4	8
307 x 510....	3 7/16	5 1/16	16
603 x 700....	6 3/16	7	68

(b) The drained weight of mushrooms in containers of a size not specified in paragraph (a) of this section is not less than 56 percent of the water capacity of the container, if such water capacity is less than 11.0 ounces avoirdupois; not less than 59 percent of the water capacity of the container, if such water capacity is 11.0 ounces or more but less than 25 ounces avoirdupois; and not less than 62 percent of the water capacity of the container, if such water capacity is 25 ounces avoirdupois or more.

(c) Water capacity of containers is determined by the general method provided in § 10.1 of this chapter.

(d) Drained weight is determined by the following method: Tilt the opened container so as to distribute the contents evenly over the meshes of a circular sieve which has been previously weighed. The diameter of the sieve is 8 inches if the quantity of contents of the container is less than 3 pounds, and 12 inches if such quantity is 3 pounds or more. The bottom of the sieve is woven-wire cloth which complies with the specifications for such cloth set forth under "2380 Micron (No. 8)" in table 1 of "Standard Specifications for Sieves," published March 1, 1940, in L. C. 584 of the U. S. Department of Commerce, National Bureau of Standards. Without shifting the material on the sieve, so incline the sieve as to facilitate drainage. Two minutes after drainage begins, weigh the sieve and drained mushrooms. The weight so found, less the weight of the sieve, shall be considered to be the weight of drained mushrooms.

(e) If canned mushrooms fall below the applicable standard of fill of container prescribed in paragraph (a) or (b) of this section, the label shall bear the general statement of substandard fill specified in § 10.2 (b) of this chapter, in the manner and form therein specified.

Any interested persons whose appearance was filed at the hearing may, within 30 days from the date of publication of this tentative order in the *Federal Register*, file with the Hearing Clerk, Federal Security Agency, Room 5109, Federal Security Building, Fourth Street and Independence Avenue S.W., Washington, D. C., written exceptions thereto. Exceptions shall point out with particularity the alleged errors in this tentative order and shall contain specific references to the pages of the transcript of the testimony or to the exhibits on which such exceptions are based. Such exceptions may be accompanied by a memorandum or brief in support thereof. Exceptions and accompanying memoranda or briefs shall be submitted in quintuplicate.

Dated: February 16, 1951.

(Seal) John L. Thurston,
Acting Administrator.

(F. R. Doc. 51-2576; Filed, Feb. 23, 1951; 8:45 a. m.)

Broccoli for Processing

U. S. standards for broccoli for processing have been proposed by the Production and Marketing Administration, USDA. The proposed standards were published in the *Federal Register* of February 15.

Grades for Canned Blueberries

U. S. standards for grades of canned and frozen blueberries have been revised by the Production and Marketing Administration, USDA. The revised standards were published in the *Federal Register* of February 17 and will be effective March 19.

Grades for Cranberry Sauce

U. S. standards for grades of canned cranberry sauce have been issued by the Production and Marketing Administration, USDA. The grade standards cover both jellied (or strained) and semi-jellied sauce with whole or

partially whole cranberries. The standards were published in the *Federal Register* of February 15 and will be effective 30 days following publication.

Grades for Orange Marmalade

U. S. standards for grades of orange marmalade are being considered by the Production and Marketing Administration, USDA. The proposed standards were published in the *Federal Register* of February 14.

Canned Sweetpotato Grades

Revision of U. S. standards for grades of canned sweetpotatoes is being considered by the Production and Marketing Administration, USDA. The proposed revision was published in the *Federal Register* of February 10.

DEATHS

Donald F. Larsen, Sr.

Donald F. Larsen, Sr., 56, secretary and director of The Larsen Company, died at Green Bay, Wis., February 20. He was the last surviving son of Willian Larsen, founder of the company. He is survived by his widow and two children, one of whom is Donald, Jr., who is associated with the firm.

Dr. Ward Benjamin White

Dr. Ward Benjamin White, 66, chief of the Division of Foods of the Food and Drug Administration, died unexpectedly February 24 at his home. He was well known to many canners through his work on the formulation of food standards.

Ben White came to Washington in 1930 from Albany, where he had been chief chemist of the food division of the New York State Department of Agriculture and Markets. He had previously been in charge of the New York State College of Agriculture food laboratory at Cornell University.

Dr. S. A. Rohwer

Dr. S. A. Rohwer, 62, veteran entomologist of the U. S. Department of Agriculture, died at work February 12. He had joined USDA in 1909, and at the time of his death was special assistant to the Agricultural Research Administration in charge of defense efforts.

PERSONNEL

Illinois Canners Association

The Illinois Canners Association elected the following officers recently at the association's annual business meeting:

President—A. L. Keene, Keene Canning Co., Freeport; vice president—P. A. Schmith, Stokely Foods, Inc.; secretary-treasurer—W. D. Jones, Streator (reelected).

Utah Canners Association

The Utah Canners Association elected the following officers recently at the association's annual meeting:

President—Wesley Jense, Pleasant Grove Canning Co., Pleasant Grove; vice president—Reid Jensen, Varney Canning, Inc., Roy; and secretary-treasurer—Harvey F. Cahill, Ogden (reelected).

Ozark Canners Association

The Ozark Canners Association elected the following officers recently at the association's annual meeting:

President—W. Bradley Kimbrough, Ozark Packing Co., Ozark, Ark.; vice president—J. O. Witt, Jr., Hargis Canneries, Inc., Fayetteville, Ark.; and secretary-treasurer—F. R. Spurgin, Fayetteville (reelected).

Northwest Salmon Canners

The Northwest Salmon Canners Association has elected the following officers:

President—Frank Wright, Jr., Pyramid Fisheries Co., Inc., Seattle; vice president—A. W. Brindle, Red Salmon Co., Seattle; secretary-treasurer—Jack Brennan, Haines Packing Co., Seattle.

Northwest Packers & Growers

Northwest Packers and Growers, Inc., elected the following officers at the association's annual meeting recently in Portland, Ore.:

President—Elmore E. Hill, Blue Lake Packers, Inc.; Salem, Ore.; vice president—George M. Martin, The Utah Canning Co., Freewater, Ore.; and secretary-treasurer—William E. Yeomans, Portland, Ore. (reelected).

Now in its sixth year, Northwest Packers and Growers, Inc., has 42 member companies operating plants in Oregon and Washington.

STATISTICS

Canned Baby Food Stocks

Details of the canned baby food supply, stock, and shipment situation are reported by the Association's Division of Statistics as follows:

	1950	1951
	(thousands of dozens)	
Canner stocks, Jan. 1	55,341	*62,433
Pack, January	9,707	12,900
Total supply	65,048	75,353
Canner stocks, Feb. 1	54,065	61,899
Canner shipments, Jan.	10,983	13,454

* Revised.

Canned Meat Report

The quantity of meat canned and meat products processed under federal inspection during the four-week period December 30-January 27 is reported by the Bureau of Animal Industry as follows:

Canned Meat and Meat Products Processed Under Federal Inspection
Dec. 31, 1950-Jan. 27, 1951 *

	3 lbs. & over	Under 3 lbs.	Total
	(in thousand pounds)		
Luncheon meat	23,860	15,658	39,518
Canned hams	19,581	859	20,440
Corned beef hash	1,019	8,378	9,397
Chili con carne	1,320	9,229	10,549
Vienna sausage	261	4,290	4,551
Frankfurters and wieners in brine	3	2,974	2,977
Deviled ham	1	310	311
Other potted and deviled meat products	90	3,555	3,645
Tamales	134	3,105	3,239
Sliced, dried beef	47	401	448
Liver products	.....	187	187
Meat stew	151	8,707	8,858
Spaghetti meat products	212	5,070	5,282
Tongue (except pickled)	562	396	958
Vinegar pickled products	1,352	1,585	2,937
Bulk sausage	59	2,004	2,063
Hamburger	602	3,469	4,071
Soups	1,192	44,435	45,627
Sausage in oil	243	182	425
Tripe	.....	798	798
Brains	.....	536	536
Bacon	47	1,415	1,462
All other products 20% or more meat	188	11,354	11,542
All other products less than 20% meat (except soup)	85	9,337	9,422
Total all products	50,979	138,435	189,414

* Columns do not add to total shown in all cases since rounded figures are used.

Canned Fruit and Vegetable Stocks and Shipments

Reports on canners' stocks and shipments of canned apricots, sweet cherries, RSP cherries, peaches, pears, corn, lima beans, peas, tomatoes, and tomato juice have been compiled by the Association's Division of Statistics. Detailed reports have been mailed to all canners packing these products.

Summaries of these reports, as reproduced below, were available to canners at the Convention in Chicago last week.

Canned Apricot Stocks and Shipments

	1949-50	1950-51
	(cases—basis 24/2½'s)	
Carryover, June 1	1,522,000	540,000
Pack	2,375,000	3,661,000
Total supply	3,897,000	4,201,000
Stocks, Feb. 1	1,451,000	841,000
Shipments during Jan.	304,000	332,000
Shipments, June 1 to Feb. 1	2,446,000	3,360,000

Sweet Cherry Stocks and Shipments

	1949-50	1950-51
	(cases—basis 24/2½'s)	
Carryover, June 1	65,000	316,000
Pack	1,678,000	741,000
Total supply	1,743,000	1,057,000
Stocks, Feb. 1	693,000	297,000
Shipments during Jan.	49,000	143,000
Shipments, June 1 to Feb. 1	1,050,000	760,000

RSP Cherry Stocks and Shipments

	1949-50	1950-51
	(actual cases)	
Carryover, July 1		30,332
Pack	3,445,323	5,022,951
Total supply	3,445,323	5,053,283
Stocks, Feb. 1	837,251	1,008,043
Shipments during Jan.	182,210	293,776
Shipments, July 1 to Feb. 1	2,558,072	4,045,240

Canned Peach Stocks and Shipments

	1949-50	1950-51
	(cases—basis 24/2½'s)	
Carryover, June 1	3,518,000	2,542,000
Pack	19,134,000	16,605,000
Total supply	22,652,000	19,147,000
Stocks, Feb. 1	10,460,000	3,931,000
Shipments during Jan.	1,139,000	1,622,000
Shipments, June 1 to Feb. 1	12,192,000	15,216,000

Canned Pear Stocks and Shipments

	1949-50	1950-51
	(cases—basis 24/2½'s)	
Carryover, June 1	788,000	597,000
Pack	5,904,000	6,370,000
Total supply	6,692,000	6,967,000
Stocks, Feb. 1	2,703,000	2,519,000
Shipments during Jan.	187,000	934,000
Shipments, June 1 to Feb. 1	3,989,000	4,448,000

Lima Bean Stocks and Shipments

	1949-50	1950-51
	(actual cases)	
Carryover, Aug. 1	103,230	1,069,265
Pack	4,718,207	3,591,173
Total supply	4,816,437	4,660,438
Stocks, Feb. 1	2,625,455	2,543,564
Shipments, Aug. 1 to Feb. 1	2,190,982	2,116,874

Sweet Corn Stocks and Shipments

	1949-50	1950-51
	(actual cases)	
Carryover, Aug. 1	4,112,712	6,466,680
Pack	33,138,318	21,645,243
Total supply	37,251,030	28,111,923
Stocks, Feb. 1	21,402,369	10,696,723
Shipments during Jan.	3,089,392	3,605,297
Shipments, Aug. 1 to Feb. 1	15,848,661	17,415,200

Canned Pea Stocks and Shipments

	1949-50	1950-51
	(actual cases)	
Carryover, June 1	4,965,141	2,141,400
Pack	24,944,874	32,725,536
Total supply	29,930,015	34,866,936
Stocks, Feb. 1	9,873,981	9,181,070
Shipments during Jan.	2,258,621	3,443,448
Shipments, June 1 to Feb. 1	20,056,034	25,685,866

Canned Tomato Stocks and Shipments

	1949-50	1950-51
	(actual cases)	
Carryover, July 1	2,718,555	1,868,427
Pack	18,873,672	18,724,350
Total supply	21,592,227	20,592,777
Stocks, Feb. 1	8,132,253	2,205,543
Shipments during Jan.	1,346,909	3,045,258
Shipments, July 1 to Feb. 1	13,459,974	18,387,234

Tomato Juice Stocks and Shipments

	1949-50	1950-51
	(actual cases)	
Carryover, July 1	5,740,779	3,004,135
Pack	20,559,673	22,740,658
Total supply	26,300,452	25,744,793
Stocks, Feb. 1	12,830,782	8,523,954
Shipments during Jan.	1,771,206	2,643,979
Shipments, July 1 to Feb. 1	13,469,670	17,220,839

1950 Pack of Tomato Pulp

The 1950 pack of tomato pulp amounted to 3,094,113 actual cases as compared with the 1949 pack of 3,091,551 cases, according to a report by the Association's Division of Statistics. On the basis of 6/10's, the 1950 pack was 3,040,276 cases as compared with 3,060,794 cases in 1949.

1950 Pack of Tomato Pulp

	1949	1950
	(actual cases)	
New York	102,363	56,324
Maryland-Delaware	135,480	139,800
N. J. and Pa.	404,194	446,508
Ohio	125,406	124,657
Indiana	269,004	326,402
Michigan	95,770	125,709
Utah and Idaho	214,113	231,379
California	1,551,946	1,389,693
Other states	193,275	253,441
U. S. Total	3,091,551	3,094,113

Wholesale Distributor Stocks of Canned Foods

Stocks of specified canned foods in the hands of wholesale distributors as of February 1 are reported by the Bureau of the Census, U. S. Department of Commerce, as follows:

Wholesale Distributors' Stocks of Specified Canned Foods

(Including Warehouses of Retail Food Chains)

	All sizes smaller than No. 10 Feb. 1, 1951	Institution sizes, all sizes No. 10 or larger Feb. 1, 1951	Total Feb. 1, 1951	Total Jan. 1, 1951	Total Feb. 1, 1950
	(thousands of actual cases)				
Vegetables:					
Beans, green and wax	3,852	1,005	4,857	4,503	3,806
Corn	7,482	794	8,276	8,421	6,390
Peas	6,327	929	7,256	7,408	5,589
Tomatoes	5,182	1,061	6,243	6,632	4,986
Fruits:					
Apricots	802	217	1,019	1,164	942
Fruit Cocktail [1]	2,228	354	2,582	2,801	1,685
Peaches	5,307	974	6,281	6,660	4,490
Pears	1,070	286	1,356	1,802	1,045
Pineapple	4,568	570	5,138	6,410	4,303
Juices:					
Tomato [2]	3,954	257	4,211	4,521	2,990
Grapefruit	1,963	40	2,003	1,337	1,030
Orange	2,368	34	2,402	1,556	1,827
Citrus Blend	823	11	834	617	608
Pineapple	2,144	48	2,192	2,478	1,768

[1] Includes fruit for salad and mixed fruits (except citrus).
[2] Includes vegetable juice combinations containing at least 70 percent tomato juice.

Amendments to Price Regulation

(Concluded from page 129)

had not, by publication, announced that the prices of the raw commodities had reached the legal minima provided for in the Defense Production Act.

The new amendment now provides that the Director of Price Stabilization, even in cases where the Secretary of Agriculture has not announced that the prices of the agricultural commodities have reached the legal minima, may determine, after consultation with the Department of Agriculture, that the requirements of the Defense Production Act are satisfied with respect to a particular commodity and delete such commodity from Section 11.

This change in Section 11 is designed to accomplish two effects. Since the parity announcements of the Department of Agriculture are normally made only at monthly intervals it will permit the Director of Price Stabilization to foreclose the use of the parity adjustment provisions as a means of increasing a canner's ceiling prices immediately upon an agricultural commodity's attainment of the legal minimum. It will also permit the Director of Price Stabilization to prohibit increases in a canner's ceiling prices whenever he determines that the processing margins for a given commodity are sufficient to require the canner to absorb, without any further adjustment of the ceilings on processed commodities, further increases in the cost of the uncontrolled agricultural commodity, even though this commodity is selling below parity. Canners who attended the Convention "price clinic" in Chicago will remember the assertion of price control officials that no extensive use of this latter authority by the Office of Price Stabilization was contemplated.

A further change of interest to canners is provided by Amendment No. 1. "Parity adjustments" were, under the language of the Regulation as first issued, to be made only on the basis of increased prices *actually paid* for the raw material during the base period. Sections 11(b)(2) and 11(c)(2) have been amended by the addition of the words "incurred or" to cover the situation where obligations were incurred for raw commodity purchases during the base period but payment was not actually made.

Further changes effected by Amendment No. 1 include the addition of dried figs, raisins and prunes, when sold by the producer, and sugar cane, sugar and liquid sugar to the list of uncontrolled commodities, and the exemption of imported agricultural commodities on the same basis as domestic agricultural commodities.

Amendment No. 2

The second amendment amends Section 3 of the Regulation to provide that while the ceiling price to a particular class of purchasers is to be determined by the highest price at which deliveries were made to that class of purchasers during the base period, this "highest price" provision will apply only to sales which amounted to 10 percent or more of all deliveries to a class of purchasers during the base period. In other words, prices charged in fewer than 10 percent of all deliveries to a particular class of customer during the base period will not serve as a legal basis for ceiling prices. The purpose of this amendment is to prevent a seller from using an isolated sale, made at abnormally high prices during the base period, as his ceiling price.

A provision is included, however, to protect sellers who genuinely announced price increases put into effect in the base period. The new amendment provides that the "less than 10 percent rule" will not apply if all deliveries to a class of customers were made at the increased price after the announcement of the new prices. If the seller delivered at a lower price thereafter because of a firm commitment, he would not be prevented from taking advantage of this exception to the 10 percent limitation. If, however, a canner's "highest price" in the base period was later followed by deliveries at lower prices, other than deliveries pursuant to firm commitments made before the price increase, he must comply with a 10 percent requirement in order to use that price as a ceiling.

A further change effected by Amendment No. 2 is designed to clarify the situation which results when deliveries have been made during the base period at higher prices to one or more classes of purchasers but not to all, thus creating ceiling prices which do not reflect the seller's normal differentials. The regulation as amended now specifically provides that, under certain circumstances, deliveries in the base period to one class of purchaser may be the basis for establishing ceiling prices for several classes of purchaser. Under Section 3 as amended, if a canner announced in writing a general increase in prices on a commodity to more than one class of purchaser and made deliveries to one or more classes, which under Section 3 established ceiling prices for sales to such classes, and if those classes in the year 1950 accounted for at least 30 percent of his sales of a commodity to all classes contained in the price announcement, the announced increase is the ceiling price for all classes of purchaser in the announcement.

A similar provision is now included in Section 3 to permit, under certain circumstances, deliveries of some items on a price list during the base period to be the basis for establishing ceiling prices on an entire list even though deliveries may not have been made of some items. Section 3 now provides that if a canner announced in writing a general increase in prices on a list of items and he made deliveries during the base period of some of these items, which under Section 3 established ceiling prices for such items, and if those items accounted during the year 1950 for at least 30 percent of his dollar sales of all items covered by the price list, then the announced increase is the ceiling price for all items on the price list.

Area of Production Definition

(Concluded from page 129)

between establishments which meet the requirements of the present definition and those that do not. It also has been represented to the Administrator that changes have taken place in regard to the economic conditions and other related factors which provided the basis for the existing regulations and the Administrator was petitioned to modify the present definitions.

The Administrator announced last September 7 that he would consider proposals for changes in the definitions (see INFORMATION LETTER of September 9, 1950, page 269). Many responses were received, according to Administrator W. R. McComb.

The public hearing will open at 10 a. m. in Conference Room B of the Interdepartmental Auditorium, adjoining the Labor Department building. A summary of the proposals will be made available to interested parties upon request to the Administrator. Interested persons desiring to be heard must notify the Administrator by March 23. Written statements may be filed in lieu of personal appearance at any time prior to April 2, the hearing date.

A "summary of proposals" received by the Administrator contains the following:

"General Proposals

"1. Eliminate population tests.

"2. Increase population test to 5,000, 10,000, 20,000.

"3. Increase the distances in general. Proposals were also received to increase the mileage test for a particular commodity; for example, sweet potatoes 30 miles, dry edible beans 75 miles, and sugar beets 25 miles.

"4. Adopt different regulations for each type of processor. If universal regulations are to be continued, then change the definition of 'open country or rural community' to exclude (1) cities or towns having a population of 20,000 or more; (2) any area within five miles of any city or town of more than 20,000, but less than 200,000; (3) any area within 10 miles of any city having more than 200,000 inhabitants.

"5. Use 'counties that are primarily rural' as a test rather than the size of the town.

"6. Limit the area of production to the farm on which the product is grown.

"7. The area of production with respect to any agricultural commodity shall be that area within which the commodity is produced and delivered direct from farms to establishments which perform the operations named.

"8. An individual shall be regarded as employed in the area of production if the operations are 'performed up to the point where the prepared commodity is first loaded in or on a transportation carrier by rail, highway, water or air for interstate transportation to market.'

"9. 'An individual shall be regarded as employed in the area of production in . . . (performing stated operations on) . . . products which come to his place of employment in their raw or natural state; and when such place of employment is located in an area where such operations according to historical practice are normally and necessarily performed; and when such place of employment is located in an agricultural community or city predominantly agricultural in character, and prior to their delivery of the commodity to a terminal or consumer market prepared for distribution.'

"10. Retain the present definition."

"Proposals Relating to Fresh Fruits and Vegetable

"17. The area of production exemption should be limited to canners producing 5,000 cases or less.

"18. 'Eliminate the requirement that the establishment be located in a rural community as defined in the present definition, but exclude packing houses located in metropolitan areas of cities . . . adopt the principle in the Social Security definition relating to the exemption covering the preparation for market of fresh fruits or vegetables, wherein it is required that such preparation be done before delivery to a terminal market for distribution for consumption.'

"19. 'Define the area in terms of the length of the haul, but extend the distance to 25 miles, and require that 75 percent of the quantity handled for the preceding season for that variety be obtained within that distance.'

"20. For mushrooms, include in the area of production 'all processors of mushrooms located within the Chester-Delaware-Newcastle area.'

"21. Include in the area of production 'the community or assembly point ordinarily used as the assembly and shipping point of the fresh fruit product.'

"22. 'An individual shall be regarded as employed in the area of production . . . if the establishment (and all other establishments under the same ownership) where he is employed are located in the open country or in a rural community and 75 percent of the commodities on which such operations are performed (calculated on an annual basis) by the establishment come from normal rural sources of supply located not more than the following airline distances from the establishment: with respect to operations on fresh fruits and vegetables—25 miles.'"

RESEARCH

Research on Deciduous Fruits

The Deciduous Fruit and Tree Nuts Advisory Committee met recently to review current and prospective research and service work of the U. S. Department of Agriculture agencies and to submit recommendations on that work.

In view of the defense program, the thinking and discussions of the advisory group were centered on the proposition that emphasis and support should be maintained or increased on those research, service, and educational problems that will help produce more food and deliver it to the consumer in good condition with the least possible waste.

Regarding production research, the Committee urged that highest priority be given to breeding disease- and insect-resistance into plants as a means of preserving copper, zinc, and other critical materials that go into pesticidal compounds. Improved cultural practices and mechanization of fruit and nut crops are essential, the Committee agreed, to increase production and conserve manpower.

With respect to utilization research, the Committee urged that emphasis be placed on (1) the development of new and improved horticultural products and equipment for processing or manufacturing such products; (2) new and better uses for fruit and nut byproducts and residues; and (3) fundamental research on fruits and nuts to preserve color and quality in fresh and processed products.

In the field of marketing, the Committee recommended that first consideration be given to the more practical and physical aspects of marketing, such as (1) storage, handling, and quality preservation; (2) transportation of horticultural products; (3) containers and methods of packaging; (4) grades, standards, and inspection; and (5) improvement in merchandising methods and practices.

Research on Cold Storage

The development of additional frozen concentrated juices and dehydro-frozen foods that might prove useful to the military services was the top recommendation of the Cold Storage Advisory Committee which met recently in Washington.

As emergency situations may at times prevent holding commodities under optimum storage conditions, high priority was given to studies of the effect of fluctuating temperatures upon frozen and refrigerated farm products. Other recommendations were:

(1) Conduct a survey to determine the feasibility of saving transportation facilities and manpower through wider use of the 11,000 frozen food locker plants as sub-distribution centers for frozen foods; (2) continue work on frozen milk concentrate, frozen poultry, precooked frozen foods, and other commodities; (3) establish a national low-temperature laboratory for research on the basic principles of of thermodynamics and related fields such as heat transfer and the effects of ice formation on foods; (4) investigate the value of preserving viability of seed by storage at temperatures around and below 32° F.; (5) develop improved and substitute materials for packaging and coating of commodities to be held in cold storage; (6) develop improved methods for freezing, refrigeration, and storage of foods and for cooling and refrigeration of farm products on the farm; (7) cooperate with other agencies that are studying effects of low-temperature environment upon man, particularly the role of nutrition in developing resistance to cold.

Citrus Cannery Wastes

Research on the possibilities of using citrus cannery waste as livestock feed is reviewed in a bulletin issued by the Bureau of Agricultural Chemistry, USDA.

The bulletin was written by Harry W. von Loesecke. The bulletin is entitled "Citrus Cannery Waste, Its Use and Disposition" (AIC-290) and is available on request to the Bureau of Agricultural and Industrial Chemistry, USDA, Washington 25, D. C.

Toxicity of Insecticides Discussed by Pathologist

How frequently and for how long some of the new chemical insecticides can be applied to crop land without damaging crop yields, is the serious question that USDA plant pathologist Arthur C. Foster posed this week before the Southern Agricultural Workers Association meeting in Memphis.

In five years of research investigations at the Department's Plant Industry Station, Beltsville, Md., working with a wide range of dosages including some excessive dosages, Foster has found that some of the new insecticides remain surprisingly toxic in the soil, while others do not. One hundred pounds of DDT per acre or more applied to soil in 1945 has lost little of its toxic effect to date. Smaller amounts applied to crops as needed to control insects accumulate in the soil over the years.

Tests with a number of different field and truck garden crops showed, too, that a large proportion of them are in some degree sensitive to large doses of insecticides mixed in the soil. All but three of 17 garden and field crops grown in greenhouse trials showed some sensitivity to DDT and seven were classed as highly sensitive. Growth of these crops was reduced as repeated heavy dosages accumulated in the soil or as increasingly large amounts were applied.

These research findings led Foster to question the heavy, continuous use on the same land of the more stable insecticides, especially DDT and technical BHC. He emphasized the importance of avoiding careless, excessive, or improper use, and went on to suggest the desirability of looking for effective substitutes.

DDT, the first and most widely used of the post-war insecticides, was studied more extensively than others. It was found that heavy applications of DDT (about 30 pounds per acre per year) could build up soil accumulations in three to five years that would damage the more sensitive crops. Growth of rye in soil from under peach trees that were sprayed three years with DDT and 1 year with technical BHC, was reduced about 30 percent by the toxic build-up of insecticide residues in the soil. Some soils that get applications of about 10 pounds of DDT per acre per year may become harmful to sensitive crops within five to ten years.

Limited trials showed technical BHC to be less stable than DDT, but because of its high toxicity to plants in the soil, it is capable of forming damaging accumulations if used frequently at heavy rates. Toxaphene and parathion, however, were found to be so unstable in the soil that they are not expected to accumulate there to a harmful degree following recommended use.

FOREIGN TRADE

Mexican Import Duties

Mexican import duties applicable to 1,106 commodity classifications in the Mexican import tariff schedule have been modified, and all existing import prohibitions removed, effective January 18, by a decree published in the Mexican *Diario Oficial* of January, it is reported by the Office of International Trade, U. S. Department of Commerce.

While complete details are not yet available, most of the tariff changes represent increases in applicable duties, according to OIT. Of the 200-odd tariff classifications included in the now-expired U. S.-Mexico reciprocal trade agreement, only 29 are unaffected by the decree.

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